



Tri-County Alliance for Public Education (TCA) published the attached comprehensive and well-documented white paper entitled "Charter Schools – Not a Silver Bullet of Education Reform." It is comprised of research and data derived from highly-respected research institutions, including Michigan Senate Fiscal Agency, National Assessment of Educational Progress, Stanford University, Citizens Research Council (CRC) and the Universities of Colorado and Arizona.

Any reform measures will affect the education of 1.6 million Michigan children and therefore must be based on well-researched best practices; set ambitious and achievable goals; require accountability; support low performing schools; close the achievement gap; provide essential resources; and deliver high quality education for all children.

Legislators must resist the rush to reform and instead hold to the standard of examining respected research prior to passing legislation. They should be questioning whether lifting the charter schools cap is based on a political agenda or essential research that documents clear measures of student performance.

Lawmakers considering lifting the charter school cap in an effort to expand parental choice, must recognize that no quantitative data exists to show charter schools improve student learning any more than those choices available in community governed public schools. Parents in Michigan already have the opportunity to select innovative, quality schools. Charter schools are not the only choice for parents and children.

A 2007 longitudinal study of charters, conducted by The Great Lakes Center for Education Research & Practice, found that student achievement in charter schools was lower than in demographically similar schools.

Charter schools are more likely to be segregated by race, family income, disabilities and English Language Learner status, according to the study, "Schools Without Diversity: Education Management Organizations, Charter Schools and the Demographic Stratification of the American School System," by The Education and Public Interest Center at the University of Colorado, and the Educational Policy Research Unit at Arizona State University.

Any effort to direct taxpayer dollars to a variety of non-profit and for-profit education vendors must ensure transparency regarding how those dollars are spent. Charter schools and management companies should have to meet the same high reporting standards as community governed public schools.

Taxpayer-funded charter schools do not exceed community governed public schools in student achievement. They do not operate more efficiently or effectively than community governed public schools and they are not the only option for quality choice. We urge the Governor and legislature to refrain from placing charter schools on a partisan pedestal of education reform.

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Charter Schools – Not A Silver Bullet of Education Reform

The Michigan Association of Public School Academies (MAPSA) encourages the authorization of additional charter schools as the quality choice for Michigan students. According to MAPSA and other organizations of like mind, Governor Snyder and lawmakers have an opportunity to lift the cap on charter schools this year to empower more parents and better educate more students, implying that the reinvention of Michigan cannot begin until the charter cap is lifted.

Claims such as this require careful scrutiny as Michigan's governor and lawmakers consider lifting the charter schools cap in an effort to expand parental choice as if choice itself was somehow backed with a proven record of success in the arena of school reform. No quantitative data exists that shows parental choice improves student learning. In fact, Marc Tucker, author of *Standing on the Shoulders of Giants: An American Agenda for Educational Reform*, states that "It turns out that neither the researchers whose work is reported on in this paper nor the analysts of the OCED PISA data have found any evidence that any country that leads the world's education performance league tables has gotten there by implementing any of the major agenda items that dominate the education reform agenda in the United States...including the use of market mechanisms such as charter schools and vouchers."

Those responsible for public policy must hold to the standard of examining all data regarding charter schools and choice, rather than promoting politically expedient agendas that could negatively impact Michigan's children. Informed educators and citizens must resist an irresponsible rush to reform, and question whether lifting the charter schools cap is based on a political agenda or essential research that documents clear measures of student performance.

Of course, Michigan public schools, whether they be community governed or chartered must improve by raising their standards and bringing their students to higher levels of achievement. This has to be done with a focus on what works – and there is much data on what works. But charters and choice do not appear in that body of research because they have not proven themselves to work any better – not in 2003 when NAEP went so far as to suggest that students in charter schools slightly underperformed their counterparts in public schools, even after allowing for student background (NAEP, America's Charter Schools, Results from NAEP Pilot Study, 2003) and not today.

Charter schools are marketed to Michigan citizens under the premise that they are the urban education solution. As reported in the movie *Waiting for Superman* and according to research conducted by Stanford University through a national study in 2009, it was found that only 17% of charter schools were outperforming demographically similar student populations in nearby community governed public schools. In 37% of the cases, students at community governed public schools performed at higher levels and the remainder of the cases showed no statistically significant difference.

Dr. Gary Miron, Professor of Evaluation, Measurement and Research at Western Michigan University suggests that strong and effective lobbying and advocacy groups for charter schools quickly reinterpret research and shape the message to fit their needs rather than the long-term interests of the movement. They attack evidence that questions the performance of charter schools and offer anecdotal evidence that is rarely substantiated by technical reports.

these privately managed schools enrolled far fewer English Language Learners (ELLs) and students with special needs than their district of residence.

MAPSA also promotes erroneous claims that charter schools operate more efficiently despite the fact they receive significantly less in per pupil funding each year than their community governed public school counterparts. It would appear MAPSA is due for a lesson in public education and charter school finance. Amid a growing debate over whether charter schools are adequately funded compared to community governed public schools, numerous charter school advocates have cited the purported funding gap to help explain the lower achievement results of charter schools as compared with community governed public schools.

The study, "Equal or Fair? A Study of Revenues and Expenditures in American Charter Schools," conducted by Miron and Urschel in 2010 is the most comprehensive to date on this issue. Miron and Urschel find that, on first appearance, on average, charter schools receive less revenue per pupil than community governed public schools. This is misleading. Community governed public schools receive funds for certain services they provide that most charter schools do not - such as special education, student support services, transportation, and food service. Because of this, charter schools spend far less on these services. This largely explains the differences in revenues and expenditures for charter schools as compared to community governed schools.

Miron and Urschel write, "As long as traditional public schools are delivering more programs, serving wider ranges of grades and enrolling a higher proportion of students with special needs they will require relatively higher levels of financial support."

Despite lower average revenue per pupil and the fact that most, but not all, charter schools pay rent on their facilities, charter schools have a significant financial advantage over community governed public schools for these primary reasons:

- Charter school employees do not pay into the Michigan Public Schools Employee Retirement System (MPERS) and the pension costs charter schools pay for their employees is very low compared to community governed public schools.
- Charters have a significantly lower special education headcount than community governed public schools, an even lower full time equivalency (FTE) count, much lower special education costs per student, and almost no special education transportation costs.
- Transportation costs for charter schools are substantially lower than the average for community governed public schools.
- The vast majority of charter schools enroll grades K-8 which is a less expensive set of grade levels than a K-12 school district.

In spite of the financial advantages listed above, data compiled by the Senate Fiscal Agency clearly shows that charter schools spend \$726.53 per pupil more than community governed schools once special education and pension costs are backed out (See Appendix A). Charter schools also spend only \$4,156.62 per pupil on direct instruction whereas community governed school districts spend an average of \$5,976.24 per pupil on direct instruction.

Appendix A

The data below was gathered from the Senate Fiscal Agency (SFA) in order to drive a fair comparison of school spending between chartered schools and community governed schools. Expenditures that are not common for both types of public schools (special education and pension costs) were eliminated from the cost analysis.

	FY 09/10		FY 09/10		FY 09/10	
	traditional schools versus charter schools without pension, special education or special ed. Transportation		SFA compilation of data FY 09/10 Michigan statewide total		FY 09/10 traditional schools charter schools	
total enrollment			1,595,722		1,487,297	108,425
total special education FTE			62,711		61,311	1,400
total special education enrollment-headcount			227,971		204,579	10,727
total expenditures			17,417,198,115		16,405,060,110	1,012,138,005
total expenditures per pupil			10,914.93		11,030.12	9,334.91
total special education expenditures			2,392,362,977		2,351,089,413	41,273,564
total special education expenditure per pupil-headcount			10,494.15		11,492.33	3,847.63
Percent spec. ed expenditures are of total exp.			13.7%		14.3%	4.1%
Total Pension contributions			1,542,157,711		1,417,843,262.98	5,413,253.51
Pension costs per pupil			966.43		953.30	49.93
Percent pension costs are of total expenditures			8.9%		8.6%	0.5%
Transportation costs per pupil			385.54		407.16	88.92
total transportation expenditures			615,216,371.00		605,574,854	9,641,517
percent transp. Expenditures are of total expenditures			3.53%		3.69%	0.95%
total special ed transportation			247,553,164		247,512,403	40,761
Special education transportation per pupil			155.14		166.42	0.38
Pension plus Spec. Ed. Plus Transport expenditure			4,549,737,059.00		4,374,507,529.98	56,328,334.51
Pension plus Spec Ed plus transp. Expenditures as per cent			26.1%		26.7%	5.6%
total expenses minus pension, spec ed, transportation			12,867,461,056.00		12,030,552,580.02	955,809,670.49
expend. /pupil for total minus pension, spec ed, transp.			8,063.72		8,088.87	8,815.40
Instruction spending			9,339,203,164.00		8,888,443,138.00	450,681,735.00
Instruction spending per pupil			5,852.65		5,976.24	4,156.62
instruction spending as per cent of total expenditures			53.62%		54.18%	44.53%